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SUBJECT: Chalabi's Provision of Services Committee - March 25

¶1. SUMMARY: Dr. Chalabi's March 25 Provision of Services Committee meeting focused on a variety of topics covered in previous weeks. While he did briefly discuss ongoing events in southern Iraq and Basra, the remainder of the meeting was divided between violations on potable water lines, Ministry of Industry involvement in Cleaning Days, and quality of wheat/flour in public rations. The meeting concluded with a report on corruption issues at a fuel distribution point in the Shaab area. Though attendance was relatively low, representatives from the Ministry of Industry & Minerals (MoIM), Ministry of Trade (MoT), Baghdad Water Authority (BWA), Baghdad Operation Command (BOC), Ministry of Environment (MoEn), and the Embassy did participate. END SUMMARY.

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Pre-Meeting Topic: Situation in Basra  
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¶2. Dr. Chalabi began (and concluded) the meeting with a brief discussion on the situation in the South. In addition to the current security problems, he noted that an oil pipeline south of Nassiriyah (exact location and/or type was not specified) was bombed. As a result, refineries in the Baghdad area will be affected in the coming days.

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Water Issues: Site Visit, Violations, and Filtration  
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¶3. Dr. Chalabi began executing the meeting's official agenda by recapping last week's visit to the Karkh Water Treatment Plant. While Dr. Chalabi did note that the site is functioning well (due mostly to the high quality of construction as well as Iraqi Army presence), a myriad of other problems exist. Much of the equipment (i.e. lab and testing devices) is over 20 years old and needs to be replaced. In addition, the emergency power station is not functioning and in need of an upgrade. Finally, personnel issues remain, as workers on site have not been adequately or consistently paid. To address these issues, Dr. Chalabi recommended drafting a memo to the Baghdad mayor.

¶4. Discussion transitioned from last week's site visit, to last week's discussion on water distribution violations. Following a question from Dr. Chalabi, it was noted that 50,000 to 200,000 cubic meters of water are lost per day to violations. While this range is not large in comparison to the overall volume of Baghdad's water supply, the quantity itself was cause for some concern. Subsequent discussion followed last week's trend: while water violations are a problem, scarcity is the main issue. Citizens need water, and as the BWA representative noted, when the distribution infrastructure is inadequate, tapping water lines is seen as the only option.

¶5. A lengthy discussion occurred concerning irrigation canals and the water which feeds them. Dr. Allen gave a brief presentation on the location of three pipelines, which the Ministry of Water Resources had been using for irrigation, in an effort to provide water to the Swail and Ameriyah neighborhoods. The lines were eventually turned over to the Amanat, which has since refused to use them for irrigation purposes, opting instead for use of the canal system. This issue was complicated when a Committee member claimed

that Coalition Forces are responsible for blocking the canal. Dr. Chalabi asked BG Milano to follow-up on the accuracy of the alleged canal blockage.

¶6. Dr. Chalabi next returned to the issue of water filtration units. He commented that a memo requesting 100 new water filtration units had been submitted. Confusion followed, as the committee was unsure on where and to whom the filtration units should go. Dr. Chalabi responded that filtration units must first be allocated for Baghdad residents, before moving forward on remaining units.

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Cleaning Day Update  
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¶7. The MoIM representative entered midway through the meeting, and was welcomed by Dr. Chalabi. Dr. Chalabi commented briefly on the lack of MoIM assistance with the Cleaning Days initiative. The MoIM official responded by citing his Ministry's lack of funding as the reason for the shortage of vehicles on Cleaning Days. Dr. Chalabi stressed that the level of MoIM involvement was minimal (twice a month), and would look for his update on vehicles within 24 hours.

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PDS: The Color and Quantity of Wheat  
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¶8. A minor discussion focused on the status of wheat with regard to the Public Distribution System. Currently 75% of flour rations are made with imported wheat. Due to bulk shipments of food arriving primarily from Umm Qasr Port, citizens in the South are receiving the majority of imported wheat (Note: This problem will likely be exacerbated by current security developments in the South. End Note.). As the quality of flour changes with the proportion of

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imported wheat, residents of Baghdad have been receiving poor quality flour. Specifically, residents in Baghdad have been complaining that flour rations are inordinately dark. It was not mentioned whether this was due to the bleaching process involved in flour production, or to the quality of wheat itself. As such, Dr. Chalabi ordered that samples of this wheat be taken for testing.

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Wrap Up: Red Cross Report & LPG Distribution  
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¶9. A recent report by the Red Cross was presented next, which claims Iraq is in the midst of a humanitarian crisis, particularly in the areas of water, health, and electricity. The Committee's overall reaction to this report was mixed. Dr. Chalabi initially noted that these are the issues for which the Committee was intended, and ordered that the report be provided in order to improve these sectors. This reaction follows from his previous comments on the status of NGO's in Iraq. While this appeared somewhat supportive, subsequent discussion attacked the transparency of the Red Cross organization itself, particularly in their dealings with the Government of Iraq. Moving forward, it was agreed that the Red Cross must coordinate with the Red Crescent before meeting with any Iraqi officials.

¶10. Final discussion in the meeting related to corruption at a particular fuel distribution point in the Shaab Stadium area. Reports indicate that an Iraqi Army unit in charge of the station (guilty parties were named specifically) has been preventing the distribution of fuel to some, while allowing others to effectively steal it, in addition to accepting bribes. Dr. Chalabi ordered that a memo be sent to General Aboud to resolve the issue, and remove those responsible.

Crocker